

30 November 1971

ANNEX

SUBJECT: Shortcomings in the DDI in Research Analysis
on Military and Military-Economic Problems

1. The Office of Strategic Research is now well into the fifth year of its existence. It has undergone some organizational changes in the period--reflecting both experience and changing external demands--but it is operating at only slightly above the level of analytical resources as originally established.

2. The result has been that as demands for direct support to senior policy makers has grown OSR's work has become more and more concentrated in the preparation of highly focused support papers--drawing on the research base which has been built but not adding to our knowledge as much as we would like or as improvements in the evidence would permit. In short, some of OSR's priority tasks have slipped off the bottom of the list of things we can achieve with present resources.

3. This has been a necessary but, hopefully, a temporary condition. In the period ahead--in planning the research program for 1972 and preparing the program plan for FY-74-78--these slippages and shortcomings in OSR's research analysis capability are seen to be becoming more crucial. This is true essentially for two reasons:

a. First, the substantial support effort related to drafting NIE's and preparing studies in support of SALT, MBFR, the DPRC and NSSMS will continue to draw more from the established research base than it contributes to it.

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b. At the same time new collection programs--
[REDACTED]--are providing more and better data and opening the way for analytical advances if the necessary production resources can be brought to bear.

4. Thus, the gap between available data and research analysis cannot be closed and may continue to widen unless there are personnel increases in the area of basic research. This situation exists in

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several priority substantive areas of OSR's responsibility. Each of these is discussed in the following sections.

Analysis of Major Free World Military
Programs and Forces

5. The present organization of OSR is designed to cover only current intelligence reporting on military problems in the more strategically important Free World countries. Given the resources currently available to the Office and the relative priorities for work established for the Office, the amount of research in depth that can be undertaken has been limited.

6. In spite of this, numerous requests for research on Free World military problems find their way to OSR. Inasmuch as there is no other DDI research component that can handle these requests, the branch responsible for current intelligence on these matters attempts to do the necessary research. The branch cannot go into much depth in these projects, however, because of the limited number of personnel. Frequently the research is done at some cost to a thorough job on current intelligence reporting.

7. With the necessary personnel resources, OSR's efforts could be improved in several important areas. More professional and complete analysis could be done on problems that are now treated in less depth. For example:

a. The problem of the current military status and balance of Indian and Pakistani forces had recently been treated in an IM produced by OSR. In this study several significant aspects of the situation were not looked at or analyzed in sufficient depth. These include the availability of POL and ammunition supplies; the deployments and strengths of units of the several services; the capabilities of these forces under differing assumptions; and the military factors that would motivate the two nations.

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b. Similarly, the recent air defense developments in Egypt have been incompletely covered. Because OSR's analysts are unable to devote enough time to carefully analyzing the large volume of traffic related to this problem, they are frequently forced to "shoot from the hip" to some extent when discussing Egypt's SAM defenses, aircraft inventories, command and control systems, and the capabilities of these various elements in an air defense network.

c. A research project was completed earlier this year on [REDACTED] The paper was a satisfactory first effort, but again the depth of analysis was fairly shallow. A pretty good picture has been developed concerning what the current forces look like, but little analysis was done on the capabilities, shortcomings, training, and future direction of the forces. In the next few years [REDACTED] will become a more important military power in the Far East than it is now and more analysis will be needed on [REDACTED] military establishment.

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d. Although a number of intelligence memorandums have been done on the French strategic forces, there is a large area of West European military problems that are virtually untreated because of a lack of research capability. The entire question of NATO military capabilities and resources is virgin territory in the research field. Little is known of hardware inventories, training programs, budgets allocated to NATO, future plans, mobilization and reinforcement realities, or the effectiveness of NATO forces. If the U.S. reduces its military presence in Europe the impact on NATO is certain to be significant, although at this point unknown.

8. It is not possible to draw up a single, definitive list of the non-Communist countries that should be the subject of intelligence analysis by OSR. Over the next five years, such a list would

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probably include the NATO countries, [REDACTED] and the UAR, and India and Pakistan. In the course of the past year, OSR has more than once been approached informally by senior policy-making officials on the possibilities of our doing the kind of carefully quantified assessment of the armed forces of individual NATO nations that we have done on the Warsaw Pact. There is a great need for objective intelligence analysis on these countries; indeed, much basic data remains to be gathered and systematized.

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9. These deficiencies could be overcome by reestablishing a Free World Forces Branch in FY 1973. This branch would enable OSR to do effective work in areas of importance in the broad sweep of US military and foreign policy formulation. Given the information we can gather by means of [REDACTED] and otherwise, the implications of the Nixon Doctrine, the demonstrated deficiencies in our current knowledge, and the role of the Agency in interagency studies, I believe the re-creation of a research effort on Free World military programs should be a priority undertaking of the DDI.

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10. An adequate research effort could be established with a staff of seven, including a GS-15 Branch chief and a GS-6 secretary.

Research Analysis on Asian Communist Forces

11. The analyst resources in OSR that are now devoted to Communist Chinese and North Korean forces have come in part from the reallocation of positions within OSR in January 1970 to form the Asian Communist Forces Division. It was felt at that time that a total effort of about 20-25 analysts would enable OSR to assemble and analyze the relatively scarce data available on these forces.

12. During the past two years the Asian Communist Forces Division has identified the most serious areas of ignorance regarding the military forces of Communist China and has made substantial progress in tackling the research problems. We have also been making every effort to raise the efficiency of our work by coordination with other agencies and with Commonwealth countries for assistance in the initial reduction of data.

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13. This interagency and international effort will aid in establishing a common data base, but will not reduce our research tasks over the long run. In the next few years there will be increased military growth and activity in Communist China and new collection systems are making more and better data available. Customer demands have already begun to increase and are expected to rise.

14. A principal deficiency in our research to date has been in the area of military programming and force priorities. The NSSM-69 exercise during the past year afforded the first opportunity to assess in a comprehensive way the various military development and deployment programs and to deduce the general strategy that is evolving within the Chinese leadership. We should carry on from that base in a number of areas now so that we can give better direction to the individual research studies that have been our focus to date.

15. Analyses of this type, however, cannot be done without further digging in the new photography to establish a realistic data base. We

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16. The following are a few of the more important research activities which, although not now projected for work in 1972, could be undertaken with profit if more analytical manpower were available.

a. An all-source study of Chinese military doctrine. This analysis would start with the

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b. Assessments of the political aspects of Chinese military priorities and the competition for national industrial resources. We are only now- [REDACTED] beginning to get hard evidence on the equipment levels of the Chinese ground forces, and within the next six months we should have a more reliable assessment of missile deployment. We are now in a position where we can compare these forces with the air and naval forces on which we have more reliable order of battle. Continuing analyses of this information, in combination with that on weapons developmental programs, should be started now so that we can give substantial support to the estimate of force strategies the Chinese are likely to implement during the course of the 1970's.

c. Chinese tactical nuclear weapons. We know very little of the Chinese efforts to develop tactical nuclear weapons or the likely near term interest of the Chinese leadership in this regard. The testing of CHIC-12 is the first firm indication that the Chinese leadership may be satisfied temporarily with their design technology on strategic weapons and have begun to channel more effort and money into tactical weaponry for which they already have a long established solid propellant research base. We should now assess the Chinese need for tactical nuclear weapons and their probable intentions in this area. This would involve a review of command and control developments in the ground forces--on which we have some photographic and Sigint information and will steadily acquire more.

e. Military Programs and Policies. We should undertake the analysis of military programs and policy in China, considering such factors as the logical options; the influence of ideology; and the politics and economics of Chinese decision-making. In this regard recently completed reports of the Asian Communist Forces Division provide a

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hard core of information on the basic military forces which can now be attacked programatically. This avenue of analysis would give us an overall view and form the basis for analysis of the changing posture of the PLA and the naval and air forces.

f. In addition to the above areas which are in urgent need of formative study there are a number of projects on which reports could and should be published but which cannot now be scheduled. Some of the more valuable are:

(1) evaluation of the deployment, organization, and training of medium bomber units.

(2) study of the steps being taken to create a Chinese all-weather fighter capability and to deploy air-to-air missiles.

(3) an assessment of Chinese military flight training ~~25X1A2g~~ ~~25X1A2g~~, on which we obtain fair information [REDACTED]

(4) an evaluation of Chinese doctrine and capabilities in deployment of submarine forces.

(5) descriptions of the Chinese military staff organization from Peking through sub-district levels. Among other things this would further help to refine our estimates of the size of the Chinese army. A good deal of the data base is beginning to emerge from [REDACTED]

(6) an assessment of the central reserve force structure, mobilization procedures, and combat readiness of the PLA, the militia, and the border defense forces.

17. The research problems identified above are diverse and some changes in the organization of the Division would probably be called for if more analysts were available. The solution that I favor at this time

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is the establishment of another branch in CF. This Branch would combine within its purview a number of substantive responsibilities. These would include studies of overall Chinese military planning and programming, military strategy and doctrine, and military-economics. In short, it would be a microcosm of the Programs Analysis Division structure as it relates to the USSR.

18. The advantages of this structure are several:

a. First, it would provide a much needed base to begin studies of Chinese decision making on military matters, taking into account the dominant national elements in such decisions.

b. It would free some resources in the present Forces branches to concentrate more exclusively on force developments and capabilities.

c. It would create the basis for a costing capability on China that could be developed independently of the pressures and priorities prevailing in the Soviet costing effort.

d. The effort would be under the full control of the Chief of the Asian Forces Division rather than being split between Programs Analysis and Asian Forces.

19. I recommend that nine additional positions be authorized to augment the present staff of 24 who work on Asian Communist Forces. These positions would include one GS-15 Branch Chief, one GS-6 Secretary, and seven professional slots. Of these seven, three would work on military-economic matters, two on Chinese military strategy and doctrine and two on military command and control.

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Analysis of Military Programs, Strategy, and Military
Economics of Soviet and East European Countries

20. Resources devoted to analyzing defense policy decisions and the economics of Soviet and East European military programs and forces are at this time only marginally out of line with the research requirements of the Office. There are a few areas, however, where some additional effort would be highly productive.

a. Military Costing: There is a need to provide the same kind of military program costing support on non-Soviet Warsaw Pact countries that we provide for the USSR. MBFR planning and the possibility of a European Security Conference are expected to raise the need for this kind of costing research to a higher level of interest than in the past. Progress in costing Eastern European forces has so far been painfully slow because all available resources have been needed on the USSR in response to policy support demands related to US defense policy reviews, SALT, and the NIEs. It does not seem likely that this will change.

b. Economic Impact and Defense Industry Analysis: Our work on the relationship between Soviet defense programs and the Soviet economy has provided us with a general understanding of the economic constraints within which Soviet defense decisions are made. It would be extremely useful to understand this military-economic relationship in much more specific detail. The current level of effort that we devote to this problem allows us to keep up with developments in the Soviet economy and military programs as they occur, but leaves little room for increasing our capabilities for this kind of analysis.

c. R&D Resource Analysis: The intense interest focused on Soviet R&D expenditures during the past six months has highlighted the need for additional work in this area. In

particular, we need to develop direct costing techniques which will free us from our heavy reliance on the announced Soviet data which include so many ambiguities and uncertainties. We are already moving in this area with our existing resources, but direct costing by its very nature is considerably more expensive than the budgetary analysis approach.

d. Defense Policy Analysis and Decision Making: SALT has focused intense interest on the Soviet defense decision-making process and we have begun to do a substantial amount of work in this area, from the point of view of understanding both the formal mechanisms and the crucial but informal aspects of organizational behavior. It is clear from the interests expressed by our NSC consumers and the kinds of problems shaping our work (for example, SALT and MBFR) that we will have to continue and probably expand our effort in this area.

e. Threat Analysis: Our work utilizing the Arsenal Exchange Model has carried us a long way in understanding how the Soviets might view the strategic threat that confronts them and how their assessment might shape their defense policies. The establishment of a Net Assessment Group in the NSC Staff suggests that the demand for this kind of analysis is likely to increase, not only with respect to the USSR, but also again for China. We still have a long way to go in developing our capabilities for this kind of work. Presently we can only deal with strategic forces. Problems like MBFR indicate a need to extend the capability to general purpose forces.

21. To accomplish these tasks the Programs Analysis Division should be augmented by seven professional positions. These positions would be assigned to accomplishing the following:

Costing East European Forces: two positions, raising the Cost Analysis Branch strength from 13 to 15 positions.

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Costing R and D Programs: two positions, raising the strength of the Technical Resources Branch from 8 to 10 positions.

Defense Policy and Threat Analysis: Three positions, raising the strength of the Military-Economic Planning Branch from 9 to 12 positions.

Soviet Military Command and Control

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22. There is a substantial quantity of unexploited and underexploited information [REDACTED]

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[REDACTED] These are important aspects of military command and control for which no DDI component now exercises effective research analysis or collection guidance.

23. The Office of Strategic Research has done some limited research on command, control, and communications of selected elements of the forces, but the problem has not been attacked in a comprehensive way--including doctrine, practices, and hardware--as a full time responsibility. This has impaired effective research not only in the narrow sense but in the important related fields of collection guidance and developing methodology.

24. More systematic research based on continuity of effort of a small team could I feel, produce important results and I recommend personnel augmentation to accomplish it. Some important research tasks to be undertaken are:

a. Thorough all-source analysis of the organization and command structures of the five branches of Soviet military services (SRF, LRA, Navy, PVO, and Ground Forces). This analysis would identify the key commanders, locate units, identify and locate command and control facilities, reconstruct the various chains of command, and ultimately produce a sound and detailed picture of the command mechanisms--human and technical--through which

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the Soviets operate and control their forces. This research would permit us to interpret new developments in this sphere with greater success and confidence. Specific projects include:

(1) How the Soviets would likely organize, operate, and control mobile strategic missile units, where they would be deployed, and how they would be employed.

(2) Identify the key military commanders, identify locations of their command posts, and examine their relative seniorities, functions, and command responsibilities.

(3) The National Command Authority--its command and control facilities, composition, decision-making powers, and its working relationship with the military high command.

b. Soviet and Warsaw Pact military exercises is an area of research which has long suffered from lack of attention, despite an abundance of intelligence material from every kind of source. The chief obstacles which have impeded analysis of this material in the past are the enormity and complexity of the task. Exercises have constantly varied in participants, scenarios, timing, duration, and location. OSR is now in the process of converting much of the available intelligence material on exercises [REDACTED] into a computerized form which can be electronically manipulated and analyzed. This undertaking could be a major breakthrough in analyzing these exercises, opening the way to projects seeking a better understanding of Soviet military operations and capabilities. For example:

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(1) What do Soviet military exercises tell us about Soviet intentions, command and control capabilities, military doctrine, and the roles and missions of the different

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branches of service under varying scenarios? Have these factors changed over the past ten years? Are they likely to change in the future?

(2) What do exercises reveal about the quality of Soviet training methods and the proficiency of Soviet troops.

c. An area of concern in NSSM and MBFR studies is the level of combat readiness of Soviet forces. OSR has done some work in this field; is soon to publish an IR on the subject, and has succeeded in introducing some new thinking about this matter in the latest NIE on Soviet forces for intercontinental attack. Much more needs to be done.

d. Soviet measures to prevent unauthorized and accidental use of strategic offensive weapons have been studied at length in OSR, culminating last year in the publication of an IR. That report, however, raised as many questions as it answered. Moreover, new information relevant to the subject is available. It is not being fully exploited because we lack the analytical resources. More research on this subject should be done.

e. Finally, there is sufficient information available or that could be produced, given adequate manpower, to estimate Soviet expenditures on military command and control systems. Such a project would not answer every question but we believe it would show that the Soviets have invested more heavily in command and control systems than the US. Such a project could have important influence on US planning and would be a likely subject for net technical assessment. In fact, IDA undertook such an assessment this year, but its findings were inconclusive.

26. To accomplish the goals outlined above I recommend that a Command Analysis Branch be formed--with a total staff of six, including a GS-15 Branch Chief, a GS-6 Secretary, and four professional positions.

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